

vote on the instructions to the staff was 5-to-1, with Chairman Rosel H. Hyde the lone dissenter and Commissioner James J. Wadsworth absent.

There are conflicting reports as to who authored the idea. Some sources credit Commissioner Lee Loevinger, who is a former chief of the Justice Department's antitrust division but who has generally not been a barrier to station sales to multiple owners. Others credit Commissioners Kenneth A. Cox and Nicholas Johnson, who have frequently raised the question of concentration of control in opposing assignments and transfers of broadcast licenses.

In any case, the proposal comes as a surprise for two reasons. It marks a sharp turnaround from commission actions over the past several years reflecting an open-handed attitude toward station sales; indeed it goes beyond any proposal for cracking down on multiple ownership that any commissioner has expressed publicly.

In addition, the commission is considering issuance of the rulemaking without any preliminary staff study of its implications or ramifications. Earlier rulemaking proposals of any significance followed extensive commission staff spadework.

The only previous commission pronouncement agency officials could point to as foreshadowing the action now under consideration was language in the commission order four years ago prohibiting FM stations in cities of 100,000 population or more from duplicating more than 50% of the programming of an affiliated AM. To some that indicated the commission was looking to the eventual divorcement of affiliated AM-FM combinations in the same market.

Sudden Decision ■ From all accounts, the one-to-a-customer proposal emerged practically full blown from a discussion of the application for assignment of WFMT(FM) Chicago to WGN Continental Broadcasting Co., which owns WGN-AM-TV Chicago.

The staff had recommended a grant. But opposition developed to the \$1-million sale, with commissioners expressing concern over the prospect of turning over a prosperous FM station to a licensee that owns a clear-channel AM station and a VHF outlet in the same market—and is, in addition, a subsidiary of the publisher of both the *Chicago Tribune* and the *Chicago American*.

Chairman Hyde, it's understood, argued that the commission could not in fairness apply to the WFMT sale a standard that it would not apply to future sales. The response was, in effect: "Let's change the rules."

A number of station transfers now pending before the FCC may be bogged down in the rulemaking. A letter is being prepared to notify parties in the WFMT transfer that action will be deferred until conclusion of the rulemaking.

The other transactions that were about to surface for FCC action after staff processing that may also be affected include the proposed sales to General Electric Broadcasting Co. of KOA-AM-FM-TV Denver for \$10 million in GE stock plus \$3 million existing debt; to LIN Broadcasting Co. of WAVY-

Back five-year licenses

Two House members have added their names to the list of representatives supporting five-year licenses for broadcasters. Bills similar to others that have been placed in the hopper have been introduced by Representative William H. Harrison (R-Va.) and Robert V. Denney (R-Neb.).

Mr. Denney said the legislation would reduce the administrative burden on the FCC as well as on broadcasters. "The majority of broadcasters are consistently approved by the FCC," he noted. "It is my opinion that this extension will allow the FCC more time to concentrate their attention on the minority that are known misusers of their licensed trust."

AM-TV Portsmouth-Norfolk, Va., for \$8 million and of KILT and KZAP(FM) Houston for \$7,250,000; and to Atlantic Recording Corp. of WAAB-AM-FM Worcester, Mass., for \$650,000.

The new hard-nosed approach comes as both Congress and the Justice Department are showing interest in transfer and assignment cases under the commission's jurisdiction.

The House Commerce Committee and its Investigations Subcommittee have been especially critical of the commission and its practices in station sales. The Investigations Subcommittee called the commission in last December for a hearing on its approval of the transfer of five Overmyer Communications Co. UHF permits to AVC Corp., and is continuing its investigation of that action, as well as of the general question of concentration of control of media. The commission last week responded to the 26 questions the Investigations Subcommittee submitted on commission policy on transfers and on aspects of the Overmyer matter in

particular.

Dingell a Critic ■ One of the commission's angrier critics on the Commerce Committee is Representative John Dingell (D-Mich.) who has introduced legislation that would slow stations sales to a virtual crawl. Mr. Dingell's bill would require hearings open "to all interested parties" on every application for the transfer or assignment of a license or construction permit. The bill would also empower the FCC to determine the "fair" price of station sales.

Interest on the Senate side in broadcast ownership is being expressed by the Antitrust and Monopoly Subcommittee which resumes hearings this week on a bill that would exempt from antitrust action a "failing newspaper" that establishes joint operation and business facilities with a stronger paper in the same market.

The Senate subcommittee is checking into questions of cross-ownership of broadcast media and newspapers, and the commission is scheduled to testify tomorrow (Tuesday). The FCC has already submitted data from its files on cross-ownership (see page 25).

Antitrust ■ A Justice Department spokesman last week dispelled any doubt as to the agency's interest in the antitrust implications of newspaper-broadcast-media cross-ownership. He made clear the department would look into any proposed sales from which anticompetitive consequences might flow (see page 25). The department earlier this month urged the commission to hold a hearing on the proposed \$5.5-million sale of KFDM-TV Beaumont, Tex., to the Enterprise Co., publisher of the two daily newspapers in Beaumont (BROADCASTING, March 11). The department is expected to file a statement with the commission within two weeks backing up the contention that the sale would violate Section 7 of the Clayton Act, which is intended to bar mergers that would tend to reduce competition.

There was no indication last week what effect these expressions of concern from Congress and Justice had on the commission's thinking. Indeed, commissioners themselves are likely to bridle at what they consider to be outside interference in their affairs.

It appears, however, that these factors had some bearing on the commission's thinking. There was also the deep-seated concern of some commissioners about concentration of control in markets and a feeling among others that an effort to test the temperature of industry opinion might prove to be worthwhile.

With these elements present and ready to burst into flame, all that was needed was a spark.

And the WFMT case provided that.